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Operational activities for development segment

Summary record of the 10th meeting
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President: Mr. Barros Melet (Vice-President) ..... (Chile)

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In the absence of Mr. Shava (Zimbabwe), Mr. Barros Melet (Chile), Vice-President, took the Chair.

The meeting was called to order at 10.10 a.m.

Opening of the segment

1. **The President**, opening the operational activities for development segment, said that the goal of the segment was to assist in launching the implementation of the new quadrennial comprehensive policy review of operational activities for development of the United Nations system: first, by laying the foundations for the work of the Council following the Secretary-General's submission of the comprehensive proposals requested in General Assembly resolution 71/243; second, by discussing concrete steps that the system could take in the immediate term to enhance system-wide coherence and efficiency; and, third, by examining the adjustments needed to enhance the impact of the support provided to different groups of countries for delivering on the 2030 Agenda for Sustainable Development.

2. As a result of the Council dialogue on the longer-term positioning of the United Nations development system in the context of the 2030 Agenda and the General Assembly's negotiations on the quadrennial comprehensive policy review, Member States recognized that the Organization was at a critical juncture as it sought to provide effective support for the Agenda's implementation. Consequently, in its resolution 71/243, the Assembly had requested the Secretary-General to prepare proposals on the development system's functions and capacities for its consideration during the course of 2017, which would allow Member States to determine the changes required to enable the system to respond effectively to the challenges posed by the 2030 Agenda. That process would require strong leadership on the part of Member States and the Secretary-General. The operational activities for development segment, which provided an opportunity for candid discussions on ways to improve the system's working methods at the local and global levels in order to support the implementation process, was also expected to contribute significantly to the preparation of the Secretary-General's reports and to improving coordination, integration and synergies among agencies, funds and programmes at the headquarters, regional and country levels.

3. The major shift in the types of funding allocated for operational activities since the late 1940s, from an early reliance on mandatory assessed contributions towards voluntary earmarked resources, and, increasingly, to strictly earmarked resources, had affected the functions, governance, organizational arrangements, capacity, impact and partnership approaches of the United Nations development system. Member States must consider whether such trends had undermined the multilateral character of that system and whether the principles and modus operandi currently underpinning the delivery of operational activities would effectively fulfil the ambitious integration and coordination requirements of the 2030 Agenda.

4. **The Deputy Secretary-General**, delivering a keynote address, said that the Council provided a platform for the Organization to develop a robust response to Member States' ambitions for sustainable development. After having worked closely with Member States to finalize the 2030 Agenda, the Addis Ababa Action Agenda of the Third International Conference on Financing for Development and the Paris Agreement under the United Nations Framework Convention on Climate Change, she had witnessed first-hand the complex task of implementing those instruments in her capacity as Minister of Environment of Nigeria. To ensure effective implementation, the international community must work to establish and balance priorities, mobilize new investments, build dynamic partnerships, and persuade policymakers and people worldwide to adopt new skills and perceptions.

5. Achieving the Sustainable Development Goals was indispensable to ensuring a safe and secure future characterized by prosperity, opportunity and the realization of human rights for all. Remarkable progress had been achieved over the previous two decades, including in Africa, where poverty had declined and democratic space had expanded as a result of increased access to information and communications technologies. As the success of development in Africa was critical to the success of global sustainable development, Africa must remain a priority of the Organization. In that regard, the African Union's Agenda 2063: The Africa We Want and ongoing administrative reforms would make the continent a more effective development partner.

6. Emphasis must also be placed on reducing the vulnerability and building the resilience of least developed countries, landlocked developing countries and small island developing States, as well as ensuring that the world's most vulnerable were empowered and that they shared equitably in the benefits of globalization. Currently, half of the planet's wealth was controlled by a handful of rich men, while some 200 million people were jobless and many more were underemployed, worked at several jobs to make ends meet, or worked under abusive conditions. Urgent

efforts must also be made to address gender discrimination and to change the current fear-driven nature of political discourse stemming from mounting anxieties related to the challenges of climate change, urbanization, population growth, water scarcity and mass movements of people.

7. To fulfil the 2030 Agenda's promise of leaving no one behind, and in line with the universal, interlinked and indivisible nature of the Sustainable Development Goals, a holistic approach must be taken to strengthen peace, development and human rights. In particular, in her home region of north-east Nigeria, integrated action by stakeholders was required to address the interlinked challenges of environmental degradation, resource scarcity, inequality, poverty, conflict and violent extremism, which affected regions throughout the world.

8. To ensure that the Goals succeeded in easing global anxieties, providing a better life for women and men, and building a firm foundation for stability and peace, all actors must work to identify bolder long-term approaches to financing and partnerships, rethink systems and working methods, and redefine traditional planning, delivery and monitoring. In that regard, the General Assembly, in its resolution 71/243, had laid the foundations for a more integrated, coordinated, accountable and transparent development system that was greater than the sum of its parts and fit for purpose to assist Member States in fulfilling their commitments.

9. Development initiatives must be adapted to national needs, priorities and capacities by improving effectiveness, cohesiveness and agility at the country level, scaling up capacities at the regional and global levels, and reasserting the Organization's role as a global knowledge hub and standard setter. Efforts must be made to move beyond traditional coordination mechanisms, adopt results-focused working methods and ensure that ambition was never reduced to the lowest common denominator. Youth must also be empowered to participate in the political and economic lives of their countries and communities as agents of peace and development. Lastly, data and technology should be leveraged to benefit people, and governance should be established over currently ungoverned domains, such as genetic engineering and artificial intelligence.

10. The Secretary-General's vision for transforming the Organization focused on prevention over response and on strengthening cross-pillar work to address the root causes of instability, vulnerability and conflict, with a view to repositioning sustainable and inclusive development at the heart of the United Nations and building institutional capacities across all areas of its work. To that end, efforts would be made to strengthen impartial leadership of the development system in order to promote coherence and integration at all levels, which would require a strong and adequately resourced coordination system capable of ensuring effective planning, risk management, monitoring and evaluation. Measures would be taken to address the trust deficit at the United Nations, which would entail enhanced transparency and accountability to ensure that the work of the United Nations development system responded not just to agency mandates but to global goals and system-wide commitments. In that context, efforts would be made to improve governance on system-wide issues that fell beyond the purview of individual governing bodies; to identify institutional incentives aimed at the effective implementation of Member States' collective guidance; and to ensure that the system was more responsive to national priorities. Lastly, emphasis would be placed on achieving results at the country level, with particular attention to building long-term resilience and bridging the gaps between peace, development and humanitarian action anchored in human rights, in order to ensure access to opportunities for all. To that end, financial and operational arrangements must be reworked and incentives for collaboration developed, both through reinforcing existing mechanisms and introducing new solutions.

11. In its resolution 71/243, the General Assembly had established a sequenced approach to the quadrennial comprehensive policy review. In that connection, she would play a lead role in coordinating the work on the Secretary-General's reports, in collaboration with the Department of Economic and Social Affairs and development system entities, with an immediate focus on drafting the Secretary-General's first set of recommendations for delivery by June 2017.

12. She also looked forward to consulting informally with Member States in a spirit of openness, transparency, and inclusiveness. The United Nations development system had repeatedly proven its capacity to deliver results and reinvent itself in line with its partners' evolving priorities, as evidenced by the ongoing work to empower resident coordinators and implement standard operating procedures for United Nations country teams. Representing a unique combination of normative functions and operational capacity, the United Nations development system had worked over the decades to translate the principles and standards of the Charter of the United Nations and the Universal Declaration of Human Rights into

operational programmes that had benefited people worldwide.

13. The 2030 Agenda was a critical opportunity for the Organization to enact ambitious change and honour Member States' trust by fulfilling its role as a symbol of peace and hope and a provider of essential services. She would work tirelessly to fulfil the commitments of the 2030 Agenda and General Assembly resolution 71/243, with a view to ensuring that the future was defined by the values of peace, justice, respect, human rights, tolerance and solidarity enshrined in the Charter.

Agenda item 7: Operational activities of the United Nations for international development cooperation

(a) Follow-up to policy recommendations of the General Assembly and the Council

Panel discussion: "Building a stronger United Nations development system for delivering on the 2030 Agenda for Sustainable Development"

14. **Mr. Barraza Gómez** (Minister of Social Development, Chile), delivering a keynote address, said that the 2030 Agenda was the main road map for developing State policies focused on people, the planet and prosperity. All development actors were committed to identifying effective organizational methods and forums for United Nations entities to cooperate with countries on the basis of their national priorities.

15. For Chile, the experience of the Millennium Development Goals had led to significant progress and lessons learned. His country's efforts to eradicate poverty, build the foundations for a social protection system and improve access to services contributing to human development had led to a significant reduction in poverty, enhanced access to education and health care, and positive outcomes in such areas as child and maternal mortality, life expectancy and sanitation. Further work was nevertheless required to reduce gender inequality; address the disproportionate impact of poverty on children and adolescents; and bridge the welfare gaps between urban and rural, as well as indigenous and non-indigenous, populations. In that context, Chile was working to establish a development model that emphasized inclusiveness from the outset, with a view to harnessing the potential of all people. Such a model must also be compatible with the need to protect the environment and reduce dependency on commodities in favour of exporting products with higher value added and a lower environmental impact. That would require the progressive development of a national culture of investment and consumption, as well as public and private policies, that incorporated the concept of sustainability.

16. Having participated in the creation of the Sustainable Development Goals from the outset, Chile attached great importance to the indivisibility of their economic, social and environmental pillars. His Government had consequently developed a programme to guide the transition from the Millennium Development Goals to the 2030 Agenda, which would entail the development of comprehensive public policies and the engagement of many actors over the long term. As Chile continued to face considerable gaps in progress and prosperity among different segments of the population despite being a middle-income country, it was currently focusing on combating inequality through three key structural reforms that also emphasized poverty eradication. As uneven access to education contributed significantly to inequality, his Government was implementing education reform aimed at progressively ensuring free and high-quality education for all children and adolescents. It had also reformed its tax system to reflect the principle that those who earned more should pay more, a measure that had led to a three-point increase in tax revenue as a percentage of gross domestic product, which had been allocated to funding education reform and other social reforms. Lastly, his Government had implemented labour reform to improve the balance in bargaining power between workers and business owners, a key condition for making the primary distribution of income more equitable.

17. With a view to fulfilling long-term objectives, the President of Chile had established a national council for implementing the 2030 Agenda, composed of the Ministry of Foreign Affairs, the Ministry of Economic Affairs, Business Development and Tourism, the Ministry of Social Development and the Ministry of Environment. The council had established a body of cross-cutting commissions and working groups focused on achieving broad-based integration. In addition to bringing together actors to guide the implementation process, his Government had begun developing a national assessment that included a quantitative study of the country's situation in relation to the targets and indicators established by the United Nations. It was also carrying out a comprehensive analysis aimed at identifying and strengthening any existing policies, programmes and strategies that could contribute to the effective implementation of international development objectives, and would submit its national voluntary report on implementation of the 2030 Agenda in 2017.

18. He noted with appreciation the cooperation of his country's international development partners, including the United Nations Development Programme (UNDP) and the Economic Commission for Latin America and the Caribbean (ECLAC). He was also grateful for the assistance provided by many countries in controlling the recent outbreak of one of the most extensive forest fires in his nation's history, a tragedy that highlighted the serious impact of climate change on Chile. Climate change must be addressed with a view to protecting biodiversity and natural resources and promoting innovation; particular attention must be also paid to its disproportionate effect on vulnerable persons.

19. Global and local governance, as well as participation mechanisms, must be strengthened to foster the collective political will needed to implement the 2030 Agenda. The integrated and universal nature of the Sustainable Development Goals would require countries and the United Nations system to undertake enormous capacity-building efforts to strengthen the impact and synergies of public policies. Given the tendency of State institutions toward inertia and the fact that many coordination mechanisms were intersectoral in name only and yielded few practical results, Member States must consider whether such institutions should be overhauled to ensure the meaningful intersectoral coordination and integration needed to implement the 2030 Agenda.

20. United Nations institutions must likewise move beyond a sectoral approach to enhance their relevance and effectiveness. In that connection, he welcomed the conclusions of the dialogue on the longer-term positioning of the United Nations development system, which had usefully informed the discussions on the quadrennial comprehensive policy review, as well as the ambitious proposals put forth by the independent team of advisers. The participation of a wide range of actors, including civil society and the private sector, would also be critical to the success of development initiatives.

21. Planning must be strengthened to support a development strategy based on the interlinkages between the economic, social and environmental spheres. Rather than relying on market forces alone to achieve development objectives, the international community must establish a modern and holistic planning strategy that could be adapted to evolving scenarios involving countless variables. Efforts must also be made to strengthen State institutions in line with the Sustainable Development Goals and targets; to implement ways of measuring and responding to the multidimensional challenges of poverty and inequality; and to develop horizon scanning tools and capacities. Implementation strategies should be designed taking into account the specific regional frameworks in which Member States operated, as well as opportunities for coordination, including South-South and triangular cooperation. The Forum of the Countries of Latin America and the Caribbean on Sustainable Development, established by ECLAC, was a valuable mechanism in that regard.

22. Governments must strive to translate the 2030 Agenda into genuine State policy, in the light of potential objections in some sectors on the grounds that adherence to an internationally established development framework undermined national sovereignty, and in view of the difficulty of sustaining, within national policy frameworks, ambitious commitments that could be at variance with the programmes of successive government administrations with different ideological orientations.

23. He was nevertheless optimistic that all States that had ratified the 2030 Agenda would uphold their commitments in a manner consistent with their specific identity and economic, social, political and cultural situations. Indeed, as the strength of the 2030 Agenda depended on robust national ownership underpinned by broad stakeholder participation, maintaining it as a State policy was compatible with democratic transitions in government leadership. In a global context of increasing uncertainty, the 2030 Agenda provided a source of stability and clarity for Member States and for the work of the United Nations.

24. **Mr. Cockayne** (Head of the United Nations University Office in New York), moderator, said that Member States had a once-in-a-generation opportunity to reshape the way in which the United Nations development system assisted them with their commitments under the 2030 Agenda. The current meeting represented an opportunity to reflect on adjustments needed at system-wide and entity levels to improve the impact of the support provided to Member States to deliver on the 2030 Agenda. It was also an opportunity to flesh out concrete options and recommendations on when, where and how the system needed to come together to deliver common results and to coordinate at the global, regional and country levels. He encouraged participants to think creatively during the discussion about incentives, funding arrangements, leadership and the coordination of the United Nations development system not only globally, but also regionally and nationally.

25. **Mr. Silberhorn** (Parliamentary State Secretary to the Federal Minister for Economic Cooperation and Development, Germany), panellist, said that a

"business as usual" approach would not bring about the transformational changes needed to achieve the milestones set in the 2030 Agenda and the Paris Agreement. Only through collective action and a stronger United Nations could the development system surmount global challenges, such as hunger, poverty and climate change.

26. First, the United Nations development system needed to take leadership through its 1,432 country offices, at both the resident coordinator and headquarters levels. Second, an overarching strategy was needed to deliver on structural changes that would help Member States to achieve the Sustainable Development Goals. Third, the roles and duties of the various agencies of the United Nations development system needed to be defined more clearly. Fourth, the funding structure should be entirely overhauled to harness synergies, tap into unused reserves within the system, create efficiency incentives, ensure proper cost reimbursement and reduce transaction costs. Fifth, the system should be made more transparent, accountable and results-oriented with appropriate monitoring and management by Member States.

27. The Deputy Secretary-General would require better instruments to coordinate the reform of the United Nations development system and the humanitarian development nexus. She should also endeavour to learn from past experiences, which had, for example, shown that individual appeals for funds did not improve the Organization's overall funding situation. Discussions on reform should be held at the highest level with the Secretary-General, taking into account three important aspects of the development system: the comparative advantage of a system in which universal norms and standards had been agreed upon by Member States; the use of incentives, such as the pooling of funds, to encourage Member States to work together; and the need for United Nations agencies to provide appropriate contributions to support the resident coordinator system. Reforms should also focus on improving coordination among partners active in development cooperation, humanitarian activities and peacebuilding, not least from civil society and the private sector.

28. Germany was willing to provide significant contributions so that the United Nations development system could achieve its ambitious goals. His Government had already revised its own sustainability strategy to bring it into line with the 2030 Agenda. He called on Member States to maintain the current political momentum to create a world in which a decent and fair life was possible for all.

29. **Ms. Ounavong** (Director-General, Department of International Cooperation, Ministry of Planning and Investment, Lao People's Democratic Republic), panellist, said that, in a rapidly changing and increasingly complex world, the United Nations development system needed to simplify and harmonize its business practices and seek a more client-focused approach to its traditional development policies and technical assistance. Its frameworks and policies should not only respond to Member States' needs and priorities, but also build on the national systems which already existed, in order to create additional momentum within countries to enhance capacity, domestic accountability mechanisms and financial management practices.

30. Member States demanded strong leadership at the global, regional and country levels based on in-depth knowledge and expertise and attuned to country realities. At the country level, in particular, greater use of national experts and staff would contribute to meaningful reforms and sustainable outcomes.

31. The success of the United Nations development system, especially in respect of the 2030 Agenda, depended on its ability to mobilize sustainable and predictable funding for its core functions and to maintain its absolute and comparative advantage. It was therefore crucial to explore innovative financing modalities and enhance the transparency and accountability of funding flows. Similarly, the system should engage in all appropriate forms of partnerships with stakeholders, including South-South and triangular cooperation.

32. Her Government hoped that the United Nations development system would help the Lao People's Democratic Republic to achieve the Sustainable Development Goals, fight poverty and lose its status as a least developed country. Specifically, the United Nations development system should provide integrated support for implementing, monitoring and reporting on the Goals; offer integrated evidence-based policy advice on how to incorporate them into national plans and budgetary processes; focus on capacity development and technical assistance; convene stakeholders across the development spectrum in order to leverage partnerships and facilitate knowledge-sharing; and provide Member States with comprehensive disaggregated data collection and analysis.

33. In that vein, the Lao People's Democratic Republic — United Nations Partnership Framework 2017-2021 was useful for encouraging collective responses to national development priorities and

synergies with United Nations agencies. The United Nations country team and the Government would work together to monitor progress under the framework. Her Government had also arranged a round-table process, co-chaired with UNDP, at which high-level government officials, development partners and stakeholders from the private sector and civil society could discuss and formulate recommendations on development cooperation and national development goals, including the Sustainable Development Goals.

34. **Mr. Ongodo** (Director-General for Cooperation and Regional Integration, Ministry of Economy, Planning and Regional Development, Cameroon), panellist, said that the United Nations development system was helping his country to implement the 2013-2017 United Nations Development Assistance Framework (UNDAF). Cameroon had signed a new UNDAF in December 2016 that was aligned with the Sustainable Development Goals and its national development strategy.

35. Since the end of 2015, his Government had striven to increase local ownership of the Sustainable Development Goals by national actors and to analyse the extent to which the Goals had been incorporated into national policies using the UNDP rapid integrated assessment tool. Nevertheless, only 90 of the 169 targets of the Goals had been assessed. In the future, Cameroon planned to improve fulfilment of the Goals by identifying potential resources and estimating financial costs; establishing a mechanism for achieving the Goals and intensifying their monitoring and evaluation; and by raising awareness and increasing ownership at the national and local levels.

36. The Government of Cameroon and the United Nations country team were committed to the "Delivering as one" concept. The country team had therefore drawn up a relevant road map during a workshop in Cameroon to support integrated programmes and policies in the national environment. In view of its support for simplifying and harmonizing business practices, the country team had also developed a business operations strategy for the 2016-2017 period to enhance its image as a strategic, coherent, relevant and cost-effective partner by focusing on results, ensuring accountability and transparency, reducing transaction costs for government and implementing partners, and lowering overhead costs for the United Nations development system.

37. He recommended the United Nations development system should, inter alia, reduce transaction costs by increasing the use of country systems; mainstream its "Delivering as one" approach so as to leverage internal expertise and knowledge, address lack of funding for critical areas, reduce fragmentation and increase transparency and accountability; harmonize reform efforts at the regional and global levels through a comprehensive approach encompassing development assistance, humanitarian aid and peacekeeping; support the production of data for the monitoring and evaluation of the Sustainable Development Goals at the national and regional levels; and strengthen its capacity for joint analysis, planning, programming, multi-year funding, monitoring and evaluation, and increase the transparency and frequency of joint reporting on results.

38. **Mr. Kituyi** (Secretary-General, United Nations Conference on Trade and Development (UNCTAD)), panellist, said that the strident voices of anti-globalization and the stuttering engine of economic growth in the world were good enough reasons for developing more joint actions within the United Nations Development Group. The development community must learn how to defend the returns from globalization and global development against the headwind of nationalism. The challenge was to harness the disparate knowledge of the development community to promote a bottom-up approach to globalization, starting with producers, the most vulnerable and those looking for gainful employment, rather than allowing corporate interests to prevail in the global pursuit of the 2030 Agenda.

39. The knowledge of both UNCTAD and other agencies was useful in that regard. When launching the eTrade for All initiative to scale up the access of developing countries to e-commerce and protect them from more powerful trading global communities, UNCTAD had enlisted the assistance of 15 agencies and 23 large corporations. Further examples of its development cooperation initiatives included the E-Commerce Week 2017 scheduled for the end of April 2017; the launch at its fourteenth session of a campaign with the Food and Agriculture Organization of the United Nations and the United Nations Environment Programme to end fishery subsidies worldwide; and an initiative with the United Nations Inter-Agency Cluster on Trade and Productive Capacity to build local value chains in Viet Nam, Nepal and Tanzania, for which UNCTAD had been a coordinator.

40. The United Nations development system should make a clear distinction between its efforts to monitor implementation of the 2030 Agenda and its efforts to provide assistance. Although there had initially been a surge in implementation measures, assistance measures had started to gain momentum only recently.

41. Better coordination was also needed between resident and non-resident agencies of the United Nations Development Group, in order to create synergies, prevent duplication of efforts and avoid costly acquisitions of products which had already been purchased elsewhere in the United Nations family. There was often no standard procedure for sharing specialized knowledge between resident and non-resident organizations.

42. Lastly, fresh approaches were required to boost knowledge and political commitment to official development assistance (ODA), which was often diverted to meet humanitarian, migration or climate change mitigation needs. Enhancing interaction between agencies and especially among the five regional commissions would greatly strengthen the position of the United Nations development system in that regard.

43. **Mr. Zambrano** (Observer for Ecuador), speaking on behalf of the Group of 77 and China, said that the operational activities for development segment provided Member States with an opportunity to advance discussions on the implementation of General Assembly resolution 71/243 on the quadrennial comprehensive policy review. Since the General Assembly had resolved that the review would be the main element for determining how United Nations operational activities would assist Member States in the implementation of the 2030 Agenda, related guidelines should be incorporated into the activities of entities of the United Nations development system at all levels. The Group hoped that upcoming recommendations of the Secretary-General, which had been requested under the review, would reflect the same ambition, complexity and delicate balance that had been shown in the resolution.

44. **Mr. Donoghue** (Ireland) said that although the 2030 Agenda was ambitious and the problems it addressed were complex, clear signs of progress were needed. With 2015 as the year when the Agenda had been adopted and 2016 as a year of planning, 2017 must be marked by implementation, a process that would continue until 2030. Building on the Agenda, the latest quadrennial comprehensive policy review had been negotiated with the aim of mainstreaming the Sustainable Development Goals into the work of the United Nations development system. The policy review emphasized the primary role of Governments in driving national implementation. In order to ensure the success of the review, the United Nations development system must adapt to address new challenges, such as emerging nexus issues and development funding alignment, so that no one was left behind. The review should be implemented, in particular, by enhancing the inter-agency approach within the United Nations development system at the country level, identifying and implementing improvements to the resident coordinator system and enhancing gender mainstreaming, including though gender-responsive strategic planning and the use of gender-disaggregated data.

45. The "Delivering as one" approach and gender mainstreaming, through the United Nations System-wide Action Plan on Gender Equality and the Empowerment of Women as well as gender scorecards, were good examples of how the entities and activities of the United Nations development system could be aligned with the 2030 Agenda. However, more needed to be done and the available resources must be used intelligently when responding to the massive challenges. One particular task was to ensure that the human rights-based approach woven into the 2030 Agenda was also incorporated into the operations and management of the United Nations development system. That system was complex and sometimes had competing demands and interests. The Agenda was clear, however, and the international community was obligated on the national, regional and global scales to align efforts and resources with the Agenda and deliver results. The approaches of all institutions and programmes must be refocused, recalibrated and possibly redesigned in order to fit the Sustainable Development Goals, rather than the other way around.

46. In addition to the key actions outlined in the quadrennial comprehensive policy review, the high-level political forum on sustainable development should be strengthened to support the formation of new partnerships. Improved inter-agency coordination and system alignment with the Goals should result in a logical United Nations agenda capable of meeting the current sustainable development challenges. The international community must now act on its commitments to ensure that all people benefited from sustainable development.

47. **Mr. Minami** (Japan) said that it was important to break down silos and integrate the three pillars of the United Nations by translating greater inter-agency coordination in New York into positive impacts in the field. The resident coordinator system should indeed be improved, but financing was ultimately the key to achieving the Sustainable Development Goals. Recalling the importance of coherent resource mobilization, he asked the representative of the Ministry for Economic Cooperation and Development, Germany, to elaborate on his suggestions to overhaul the funding mechanisms of the United Nations, to provide views on how to establish relationships

between the international financial institutions and the United Nations and to explain how to mobilize private sector funding to achieve the Goals.

48. **Ms. Cook** (United States of America) said that delivering as one at the country level was highly relevant. Her delegation would work with other Member States and with the Secretary-General to enable the United Nations development system to implement the 2030 Agenda. The quadrennial comprehensive policy review was a useful way for the agencies of the United Nations development system to make various changes to eliminate waste and thereby achieve cost savings. It also provided good guidance for improving the resident coordinator system through better training and selection of coordinators. As had been evident during negotiations in 2016, Member States recognized the limitations of the policy review as well as the dynamic environment of the current development system. There could be no one-size-fits-all solution for United Nations agencies, and the review was no substitute for the mandates of the governing bodies of the individual agencies. A major question facing the United Nations development agencies was how to incorporate peace and security into their everyday development work. Their comparative advantages should be utilized to enhance the programmes of individual agencies as well as the collective contributions to coherent United Nations country team approaches.

49. **Mr. Silberhorn** (Parliamentary State Secretary to the Federal Minister for Economic Cooperation and Development, Germany) said that there was too much ad hoc financing of the United Nations system. It was necessary to act more preventively both in operations and in funding, and permanent financing should be established so that the international community could act ahead of time rather than reacting to situations. Funding in the context of development cooperation should be driven by demand, not by donors. More funding should be made permanently available for crisis response; the possibility of a lean system-wide balance sheet should be duly considered, since it would be a useful leadership tool and the costs of coherence and coordination were not being reflected in the traditional funding mechanisms; and pooled and thematic funding could better incentivize donors and increase contributions from the private sector. Financial instruments already offered by global actors would allow countries to contribute not only via core or earmarked funding, but also through bilateral commitments.

50. The United Nations should collaborate more with international financial institutions, work less on a project-by-project basis and organize more structural changes with adequate financing instruments. In implementing the 2030 Agenda, there should be more of a focus on the revenue side of financing for development rather than the expenditure side. In many developing countries, the functioning of financial markets was an issue, and confidence in national banks and other institutions was lacking. If better use was made of financing instruments from the multilateral development banks, which had many other donors, perhaps that gap could be bridged. Local and regional financing markets, if developed successfully, could result in money generated in developing countries being used to create jobs locally instead of being exported to safe havens. Infrastructure projects could thus be financed by capital generated in-country as opposed to foreign investment or ODA, which were accompanied by large risks of currency devaluation. With regard to the relationships between the United Nations and the international financial institutions, the international community should concentrate on the structural issues in order to make better use of the scarce public money available.

51. **Ms. Ounavong** (Director-General, Department of International Cooperation, Ministry of Planning and Investment, Lao People's Democratic Republic) said that one of the responsibilities of the United Nations development system was to mobilize and strengthen high-quality funding, including private sector funding. The development plans of her country called for more than half of all funding to come from the private sector.

52. **Mr. Ongodo** (Director-General for Cooperation and Regional Integration, Ministry of Economy, Planning and Regional Development, Cameroon) said that it was necessary to look at all relevant sources of funding for the implementation of the Sustainable Development Goals. The United Nations should continue to play a coordinating role, particularly with regard to financing from the private sector. Cameroon had suffered from the terrorist activities of Boko Haram in its northern region and from the crisis in the Central African Republic along its borders with that country. Countries such as France, Germany and the United States had successfully intervened in specific domains, including education, health and combating extreme poverty. Innovative financing that could be leveraged to solve problems in support of the Goals would be welcome.

53. **Mr. Palma Cerna** (Honduras) said that the quality of financing depended on its efficient use as well as on its sources. While functions must be defined on the basis of each entity's individual mandate, they must also reflect the complementarity between and

integration of entities if organizations were to be able to provide the assistance needed. Country teams, with headquarters support, were responsible for ensuring the coherence and coordination of activities.

54. He asked what role the United Nations development system should play with regard to middle-income countries, where 70 per cent of poverty was concentrated. Both the Addis Ababa Action Agenda and the 2030 Agenda had given the system a specific mandate to develop non-income-based measures of progress, which would help middle-income countries respond to the huge challenges facing them.

55. **Mr. Konate** (Burkina Faso) said that, given the significant reduction of resources over the previous 15 years, there should be a greater focus on investing in addressing the structural causes of problems, rather than paying large sums to deal with their consequences. How should that discrepancy be resolved without discouraging generous donors?

56. **Ms. Ordoñez Fernández** (Colombia) said that the recent quadrennial comprehensive policy review was the first step towards transformation of the United Nations development system. It was heartening to see the new Administration's serious approach to the review. For concrete results to be achieved, the system must be coherent and draw on each agency's comparative advantages. Sustainable development and peacekeeping activities must be coordinated, since sustainable development helped to sustain peace, as clearly demonstrated by the situation in Colombia.

57. Performance-based reporting was crucial, since it reflected how well the country programme was implementing UNDAFs and provided information on the results achieved by the system as a whole. Individual agencies and programmes could provide further details of their work upon request, but an overview was essential. The resident coordinator system should therefore be strengthened and tailored to country needs; the coordinator must also have tools for communicating effectively with all agencies.

58. Lastly, as illustrated by the available data, better progress must be made on achieving gender equity throughout the United Nations system, and Colombia welcomed the importance attached to that subject by the Secretary-General.

59. **Mr. Gad** (Observer for Egypt) said that funding for operational activities for development had been decreasing and would soon be at a historic low. That trend was due partly to the need to allocate resources for humanitarian interventions during the previous few years. However, it was unsustainable in the long term, especially in view of the obligation to implement the 2030 Agenda. The role of indicators and data was extremely important for measuring the real-world impact of currently funded operational activities for development, but even more crucial was the question of the extent to which such activities had actually leveraged other sources of funding. In addition, the status of the United Nations as a hub of knowledge should be reasserted, since it and its specialized agencies and entities provided a wealth of knowledge that, though sometimes translated into solutions at the country level, often was not in the proper form to address any given situation. It would be helpful to hear the opinions of the panellists on those issues.

60. **Ms. Arrieta Munguia** (Observer for Mexico) said that the 2030 Agenda had placed development at the heart of United Nations action, thus creating a new paradigm. The United Nations development system would need to adapt to the 2030 Agenda, rather than continuing practices that resulted in inertia. The new paradigm would require a broader vision of development, peace and security.

61. The coining of the new term "sustaining peace", or peace based on development and on conflict prevention through poverty reduction and access to justice, had made 2016 a particularly important year for Mexico. Sustaining peace should be a common theme that led to better coherence and integration both in policymaking and among the three dimensions of sustainable development. The forthcoming panel discussion on the development, humanitarian and peacebuilding nexus should be centred on the transformational potential of the concept.

62. **Mr. Silberhorn** (Parliamentary State Secretary to the Federal Minister for Economic Cooperation and Development, Germany) said that more long-term financing was indeed needed, in keeping with the spirit of the 2030 Agenda. The World Food Programme, for instance, concentrated its work on resilience through long-term interventions. However, earmarked funding did, in fact, reflect the political will of many donor countries. Therefore, it was necessary to better integrate such imperatives into an overarching and multilateral funding structure, as had been achieved by Gavi, the Vaccine Alliance, and the Global Fund to Fight AIDS, Tuberculosis and Malaria. Those organizations enabled donor countries not only to make core contributions, but also to provide funding through bilateral interventions and record it on their balance sheets as bilateral, instead of multilateral, funding.

63. A system-wide budget could help to integrate urgently needed leadership in financing, and the

Secretary-General himself had appealed to donor countries to hold a central pledging conference in that context. New financial instruments such as climate risk insurance had been used to leverage taxpayer money to attract private contributions and channel them into sustainable development.

64. The fact that the overall flow of money out of developing countries was greater than the flow of ODA into them revealed a lack of trust in national institutions that should be bridged by multilateral activities. The issue affected both developing countries and industrialized countries, which should cooperate to better allocate private financing so that it would not be exported to safe havens to avoid taxation but would be put to good use where it had been generated. The United Nations should set relevant norms and standards in order to prevent unfair tax avoidance and trade regulations, which would be harmful to all parties. Bearing in mind that there was much more private than public financing available in the world, it was the duty of the international community to better direct it towards sustainable development.

65. **Ms. Ounavong** (Director-General, Department of International Cooperation, Ministry of Planning and Investment, Lao People's Democratic Republic) said that emphasis should be placed on delivering results and setting up monitoring and evaluation frameworks. Comprehensive data collection and analysis was also vital to ensure that development was having the intended impact.

66. **Mr. Ongodo** (Director-General for Cooperation and Regional Integration, Ministry of Economy, Planning and Regional Development, Cameroon) said that sustaining peace was a laudable goal that encompassed both development and security and could potentially be implemented in many countries. Although security was not within the purview of UNDP, it was a cross-cutting theme. The sustaining peace methodology should involve analysing the causes and consequences of conflict and underdevelopment in order to find solutions.

67. With regard to financing and resource reduction, it was important to streamline and set priorities for all operational activities aimed at achieving the Sustainable Development Goals.

68. **Mr. Kituyi** (Secretary-General, United Nations Conference on Trade and Development (UNCTAD)) said that it was critically important to optimize existing knowledge resources within the United Nations. No user-friendly platform for sharing knowledge had yet been developed, meaning that important work could not be exploited by the system as a whole. Similarly, institutions were repositories of considerable knowledge, which should transformed into a global good.

69. The interface between the development, humanitarian, human rights and security dimensions of United Nations work was also crucial, especially in the case of the economic factors driving involuntary migration, since four out of five migrants arriving in southern Europe over the past five years had come from least developed countries.

70. On the question of leveraging limited public resources, Governments often proposed projects but were unable to find a way to make them profitable. There was a need to focus on ideas that could become bankable projects in order to attract private investors. Chile, for example, had been very successful in securing infrastructure financing from Canadian pension funds. Debt sustainability was also a major concern for many developing countries; in some cases, 50 per cent of public revenue was being used to service debt. Resident and non-resident agencies should work together to find solutions. Rather than seeking an alternative model, UNDAFs should be improved upon, in coordination with donor partners. Lastly, the current phase was one of continuous learning; everyone should therefore be working to identify, replicate and scale up best practices in order to improve relationships with Member States and implementation of the 2030 Agenda.

71. **Ms. Zahir** (Observer for Maldives), speaking on behalf of the Alliance of Small Island States, said that the United Nations development system must give priority to enabling national implementation of the 2030 Agenda. However, several elements of that Agenda fell outside its mandate and the broader scope of the Council's work could not be transferred to the development system. As implementation of the 2030 Agenda must be country-led, the United Nations development system must be in a position to respond to national priorities, have the right capacities and be able to operate in a coordinated and coherent manner. It must also strengthen its accountability and coordination lines as part of a transparent organizational structure.

72. **Ms. Fladby** (Norway) said that, on the subject of fragmented funding, both the 2030 Agenda and the quadrennial comprehensive policy review called for integrated approaches. Many inter-agency pooled funds had already been set up, such as the Central Emergency Response Fund, but their use remained limited, as indicated in the report of the Secretary-General on funding (E/2017/4). She asked how funding modalities

could support the goal of integration and how inter-agency mechanisms could be enhanced.

73. **Mr. Egli** (Observer for Switzerland) said that financing, coordination and leadership were all interrelated. With regard to collective action, it was vital to talk about the comparative advantages of the United Nations development system. Under the quadrennial comprehensive policy review, the General Assembly had requested that roles be clarified and a system-wide strategy developed on improving collective support for the implementation of the 2030 Agenda. The forthcoming strategic plans of various organizations, such as UNDP and the United Nations Population Fund, would present an opportunity to operationalize that goal. He wondered if the representatives of "Delivering as one" countries could provide their views on the kind of work that could be undertaken collectively.

74. **Ms. Oliveira Sobota** (Brazil) said that funding was a critical challenge and the funding architecture needed to be improved. However, Member States must be guided by General Assembly resolution 71/243, which did not contain a request for a radical overhaul. Brazil was concerned by the emphasis on normative functions, which was inconsistent with the resolution and was not a panacea. Funding should not be taken for granted; it should be an ongoing discussion.

75. **Ms. Haque** (Observer for Bangladesh) said that although the United Nations had always played an important role in developing countries such as hers, there should be a balance between the normative and the operational activities of the United Nations. The most recent quadrennial comprehensive policy review had recognized that the least developed countries were the most vulnerable and needed enhanced support and privatized allocation. To that end, the United Nations development system should streamline its programmes and activities.

76. Her delegation supported the call for a bolder approach to funding, as expressed by the Deputy Secretary-General in her earlier remarks. Some initiatives, such as the Technology Bank for the Least Developed Countries, investment promotion regimes and the crisis mitigation and resilience-building mechanism, were particularly suited to the situations of the least developed countries. As the mandate given to the United Nations development system by the quadrennial comprehensive policy review was to place particular emphasis on supporting those countries, how could the system leverage its limited funding to deliver adequate results?

77. **Mr. Cockayne** (Head of the United Nations University Office in New York) said that many of the questions from States were a reminder that not only form but also funding must follow function. It was important to have a clear understanding of the recommendations made in the quadrennial comprehensive policy review on functions. He invited Member States to indicate the functions they would like the development system to perform in their countries.

78. **Ms. Ounavong** (Director-General, Department of International Cooperation, Ministry of Planning and Investment, Lao People's Democratic Republic) said that the nutrition programme in her country was an example of the successful exploitation of comparative advantages. The World Food Programme, United Nations Children's Fund and United Nations Population Fund had all worked together to develop an action plan on nutrition, thus using United Nations expertise to support the Government collectively.

79. In addition, in the Lao People's Democratic Republic-United Nations Partnership Framework 2017-2021, which was the successor to UNDAF in her country, the United Nations system had used its comparative advantages to develop an outcome-based framework derived from the national plan.

80. **Mr. Ongodo** (Director-General for Cooperation and Regional Integration, Ministry of Economy, Planning and Regional Development, Cameroon) said that, in addition to the terrorist attacks perpetrated by Boko Haram in the far north of Cameroon, that region was also suffering from environmental problems, while the east of the country was hosting a large number of refugees. At the request of his Government, the World Bank and the European Commission had organized a joint meeting to analyse the causes of the crisis and find effective solutions, one of which could be to hold a donors' conference.

81. **Mr. Silberhorn** (Parliamentary State Secretary to the Federal Minister for Economic Cooperation and Development, Germany) said that there was a high level of public awareness regarding the peace and security activities of the United Nations, but not regarding its economic and development work, including Council decisions. In order to address that situation, a sustainability council could perhaps be formed as a complement to the Security Council. More leadership was needed at the headquarters and country levels to overcome fragmentation and to determine the overarching value added of the United Nations as a knowledge provider and a norm-setter.

82. Funding should follow function and there was an opportunity to take a system-wide approach to funding at a higher political level. An evolutionary, rather than revolutionary, approach was required; it was an ongoing process that might provide opportunities for encouraging Member States to support the multilateral system.

83. **Mr. Kituyi** (Secretary-General, United Nations Conference on Trade and Development (UNCTAD)) said that, if new forms of engagement were to be developed, mutual respect would be needed and recognition of the competencies and limitations of each organization. Resident coordinators should engage more with non-resident organizations, but non-resident agencies should also respect the role of the resident coordinator.

84. The low profile of economic and development work at the United Nations in New York was primarily due to the fact that three quarters of United Nations development agencies were based in Geneva, which made it difficult to create synergies since the Council was no longer meeting there.

85. There was currently no mo'el for developing regional partnerships. The structure of regional engagement was important, especially with regard to tackling cross-border challenges facing landlocked countries and developing value chains among countries that had different customs requirements and public resource capacities. Models based on existing best practices would need to be developed.

The meeting rose at 1.05 p.m.